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Security Council

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Friday, 13 June 2008, 10.40 a.m.

New York

President:	Mr. Khalilzad	(United States of America)
Members:	Belgium	Mr. Grauls
	Burkina Faso	Mr. Kafando
	China	Mr. Liu Zhenmin
	Costa Rica	Mr. Weisleder
	Croatia	Mr. Jurica
	France	Mr. Lacroix
	Indonesia	Mr. Natalegawa
	Italy	Mr. Spatafora
	Libyan Arab Jamahiriya	Mr. Ettalhi
	Panama	Mr. Suescum
	Russian Federation	Mr. Churkin
	South Africa	Mr. Sangqu
	United Kingdom of Great Britain and Northern Ireland	Ms. Pierce
	Viet Nam	Mr. Le Luong Minh

Agenda

The situation concerning Iraq

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08-38029 (E)

The meeting was called to order at 10.40 a.m.

Adoption of the agenda

The agenda was adopted.

The situation concerning Iraq

The President: I should like to inform the Council that I have received a letter from the representative of Iraq, in which he requests to be invited to participate in the consideration of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite that representative to participate in the consideration of the item, without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

On behalf of the Council, I extend a very warm welcome to His Excellency Mr. Hoshyar Zebari, Minister for Foreign Affairs of Iraq.

At the invitation of the President, Mr. Zebari (Iraq) took a seat at the Council table.

The President: In accordance with the understanding reached in the course of the Council's prior consultations, I shall take it that the Security Council agrees to extend an invitation, under rule 39 of its provisional rules of procedure, to Mr. Ibrahim Gambari, Special Adviser on the International Compact with Iraq and Other Political Issues.

It is so decided.

I invite Mr. Gambari to take a seat at the Council table.

In accordance with the understanding reached in the course of the Council's prior consultations, I shall take it that the Security Council agrees to extend an invitation, under rule 39 of its provisional rules of procedure, to Mr. Warren Sach, Assistant Secretary-General, Controller, Office of Programme Planning, Budget and Accounts.

It is so decided.

I invite Mr. Sach to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

I should like to draw attention to document S/2008/350 and document S/2008/380, which contain two letters dated 29 May and 10 June 2008, respectively, from the Permanent Representative of Iraq addressed to the President of the Security Council.

At this meeting, the Security Council will hear briefings by Mr. Ibrahim Gambari, Special Adviser on the International Compact with Iraq and Other Political Issues, Mr. Warren Sach, Assistant Secretary-General, Controller, Office of Programme Planning, Budget and Accounts, and myself speaking in my capacity as representative of the United States of America on behalf of the Multinational Force.

I shall now make a statement in my capacity as the representative of the United States of America on behalf of the Multinational Force.

It is my honour to report to the Council today on behalf of the Multinational Force in Iraq, or MNF-I. I would like to begin by warmly welcoming His Excellency Mr. Hoshyar Zebari, Foreign Minister of Iraq, to the Council. I also want to welcome Under-Secretary-General Ibrahim Gambari and Assistant Secretary-General and Controller Warren Sach and thank them for their participation in today's discussion. We also remember our colleagues in the field, particularly United Nations colleagues, and on behalf of the Council I extend our appreciation to Special Representative Staffan de Mistura and the staff of United Nations Assistance Mission for Iraq (UNAMI) for their dedication and hard work.

I am pleased to report that the security environment in Iraq continues to improve thanks to the efforts and sacrifices of the Iraqi security forces and MNF-I. All major violence indicators are markedly lower compared to pre-surge levels. The Iraqi security forces have made important strides in capability and proficiency and have now assumed command and control of all divisions of Iraq's army. The Iraqi and coalition forces achieved these security gains even as the coalition forces have been drawing down from surge levels.

While that progress is encouraging, challenges remain. For many Iraqi families, the effects and threats of violence continue to be a daily concern. Advancements in the security field must be expanded

and consolidated and must be complemented by commensurate gains in national reconciliation and governance. We commend the Government and the people of Iraq for their commitment to build upon this hard-won progress in order to achieve a secure, federal, democratic, pluralistic and unified Iraq that can govern, defend and sustain itself.

Today, on behalf of MNF-I, I would like to discuss four points.

First, let me address the decrease in security incidents and violence. Total security incidents have now fallen to their lowest level in over four years, notwithstanding a temporary increase in violence associated with recent Iraqi military operations in Basra, Sadr City and Mosul.

The number of civilian deaths due to violence has fallen by 75 per cent since July 2007. Monthly high-profile attacks in Iraq, such as car bombs, decreased in May 2008, falling below the previous two-year low reached in December 2007. Yet, the use of suicide bombers, including female suicide bombers, remains a threat, especially as population security measures and local opposition to insurgents in some provinces make it difficult to employ vehicle-borne improvised explosive devices, or IEDs.

The number of incidences of suicide bombers increased from October 2007 to February 2008 before declining in March and April of 2008. High-profile attack explosions for May 2008 are down more than 70 per cent from the peak in March 2007. Nonetheless, Al-Qaida in Iraq and other extremists still have the intent and the capability of carrying out high-profile atrocities, as they did on 15 April when 150 civilians were killed in a series of attacks throughout Iraq.

However, the number of deaths due to ethno-sectarian violence is now at its lowest level in the past several years, illustrating the growing inability of the terrorists to reignite the cycle of ethno-sectarian violence. During the last two weeks of May 2008, there were no confirmed ethno-sectarian deaths in Baghdad. In April and May 2008, there were 38 deaths in Baghdad attributed to ethno-sectarian causes. This is a remarkable improvement when compared to the incidence of more than 1,600 ethno-sectarian deaths in December 2006.

At the same time, we remain concerned by the presence of foreign fighters in Iraq. The Government of Syria must do more to halt the operation of foreign-fighter networks within its territory that continue to supply the overwhelming majority of suicide bombers responsible for the deaths of innocent Iraqis.

The Government of Iran must also cease the training, equipping and financing by the Iranian Republican Guards Corps-Quds Force of violent Iraqi elements who have challenged the security of Iraq and the authority of the Iraqi Government and security forces. In this regard, we call on the Government of Iran to follow through on its pledge to respect the sovereignty of Iraq and the integrity of its borders, which to date it has not done.

Secondly, I would like to describe the welcome increase in the capability and proficiency of the Iraqi security forces.

More than 559,000 personnel now serve in the Iraqi security forces. This number represents an increase of more than 19,000 personnel since I last reported to you in April. Since 1 May 2008, 147 Iraqi army combat battalions have been conducting operations, which represent an increase of 24 combat battalions since my last report. Another eight battalions are currently in force generation, and MNF-I plans an additional 14 for force generation in 2008. Four special operations battalions are now capable of conducting operations with minimal coalition support, and another two are in force generation.

Among the formed Iraqi army combat battalions, 65 per cent are rated as not only being able to take the lead in operations, but also being able to plan, execute and sustain operations with minimal or no assistance from coalition forces. Since March 2008, an additional nine battalions have improved their proficiency and can now conduct counterinsurgency operations with coalition support.

Both the Iraqi air force and the Iraqi navy are gaining proficiency as well. Over the past nine months, the Iraqi air force sortie rate has increased by almost 750 per cent, with the Iraqi Air Force flying over 5,000 sorties so far this year. In that same nine-month period, the number of Iraqi navy patrols has grown by approximately 250 per cent, with an average of 35 patrols per week now conducted in Iraqi territorial waters.

The Iraqi national police also continues to increase its proficiency. There are now 44 national

police battalions authorized, including the National Emergency Response Unit. And of those, 11 battalions are capable of planning, executing and sustaining operations with coalition support.

Moreover, during the last three months, there has been a significant increase in Iraqi-led operations. In March 2008, the Iraqi Government launched the operation Saulat al-Fursan to restore law and order in Basra. In April and May 2008, the Government of Iraq planned and executed similar operations in Sadr City and Mosul. With these operations, the Iraqi security forces demonstrated their capability to conduct simultaneous, extensive operations in three parts of the country.

Overall, Iraqi security forces continue to grow and improve, but at varying rates. In many areas throughout Iraq, Iraqi special operations forces, army battalions, national police and special police units operate independently of, or side by side with, coalition forces. These units consistently demonstrate a high level of proficiency in counter-insurgency operations against Al-Qaida in Iraq and other extremist groups. In many cities, such as Ramadi and Kirkuk, the Iraqi police are in the lead for population security, where they are performing well and earning the trust of the local population.

Thirdly, I would like to provide an update on the coalition role. I want to remind the Council that more than 30 countries currently play a critical role in enhancing security in Iraq, whether by participating as a coalition member, supporting the North Atlantic Treaty Organization (NATO) Training Mission or contributing to UNAMI operations.

Coalition members other than the United States contribute some 10,000 forces to the Multinational Force (MNF) and another 450 personnel to support UNAMI. Every contributor — from the British in the south-east, to the Italian police trainers providing paramilitary expertise to the Iraqi national police; from the Mongolians who are providing camp security, to the Georgians whose many missions include protecting UNAMI staff members — plays a vital role in enabling the Government of Iraq to assume full responsibility for the defence and security of its people.

Fourthly, I want to emphasize that MNF-I continues to progressively transfer responsibility for security to the Government of Iraq.

At the outset, it is important to recognize that Iraqi and coalition forces have achieved the security gains I have described even as MNF-I is down from surge levels. By the end of May 2008, three United States Brigade combat teams, two United States Marine battalions and a Marine expeditionary unit had left Iraq without replacement. Additionally, Australia withdrew its forces from Dhi Qar province in early June.

As of mid-May 2008, the Iraqi ground forces command had assumed command and control of the 12 Iraqi army divisions, including 50 brigade headquarters and 164 battalions. In addition, the sixth and ninth divisions are now subordinate to the Baghdad Operations Command of the Ministry of Defence for tactical control, with the Iraqi Ground Forces Command retaining administrative control.

Operational commands have expanded to include the provinces of Nineveh, Karbala, Samarra, Basra and Diyala.

Likewise, the Government of Iraq continues to assume greater provincial security responsibility through the Provincial Iraqi Control, or PIC, process. Nine of 18 provinces have assumed PIC and the remaining provinces are progressing well. For example, the provinces of Al Anbar and Al-Qadisiyah are expected to transition to Iraqi control in the early summer of 2008.

Finally, I want to highlight that the United States and Iraqi Governments are now in the process of negotiating a long-term relationship which will recognize this transition and the increasing ability of Iraqi security forces to assume greater responsibility for security and stability.

In conclusion, it is clear that the recent improvements in the security situation throughout Iraq are significant. Nonetheless, the Government of Iraq must intensify the implementation of complementary measures to sustain these gains.

These measures include: actions to support the delivery of humanitarian assistance and essential services to all the citizens of Iraq, including Iraqi refugees; continued improvement in budget execution to advance Iraqi responsibility for reconstruction and development; the generation of sustainable employment; and continuing progress on political reconciliation. Credible provincial elections will also

play an important role in facilitating reconciliation and the formation of representative provincial governments.

We can, and we must, help Iraq succeed. I want to take a moment to recognize and thank the MNF in Iraq and all its members for what they are doing to help the Iraqi people continue their historic struggle to build a stable and secure nation. This struggle for the future of Iraq is vital, for it will shape the future of the broader Middle East and the future of the broader Middle East, will affect the stability and security of us all.

As we have seen, tremendous progress has been made, but these hard-won gains are vulnerable and the Government and people of Iraq still have some distance to go. We urge Iraq's neighbours and the entire international community to pitch in and help the Iraqis finish the job.

I now resume my function as President of the Council.

I give the floor to Mr. Ibrahim Gambari, Special Adviser on the International Compact with Iraq and Other Political Issues.

Mr. Gambari: I thank you, Mr. President, and the members of the Council for this opportunity to brief you, on behalf of the Secretary-General, on the latest developments in Iraq since his last report pursuant to resolution 1770 (2007), issued in April.

May I also warmly welcome the presence of Mr. Hoshyar Zebari in our midst today. The focus of this briefing will be on activities of the United Nations Assistance Mission for Iraq (UNAMI) in accordance with its mandate.

Speaking at the first annual Review Conference of the International Compact with Iraq, held on 29 May in Stockholm, with some 103 delegations from around the world in attendance, the Secretary-General said that if he were to use one word in connection with the situation in Iraq today he would use the word "hope". There is indeed new hope that the people and the Government of Iraq have started to overcome daunting challenges and to work together at rebuilding their country after decades of dictatorship, neglect and conflict.

As noted in the Secretary-General's report in April (S/2008/266), there were security improvements in many parts of the country, and that encouraging trend has continued since. Thanks to the concerted efforts of the Government of Iraq and other stakeholders, we have seen steady progress in improving the capacity of Iraqi security forces, curbing the activities of militias and other armed groups and strengthening the rule of law in Basra, Baghdad, Mosul and other places.

The situation, however, remains fragile, because ordinary Iraqis continue to face the threat of violence in the form of terrorist attacks, sectarianism or criminal acts and violations of human rights, which continue to occur. The delivery of essential services must also be urgently improved in order to help the average Iraqi family cope with daily life.

In order to secure the gains that have been made on the economic and security fronts, urgent steps are needed to pursue political dialogue and reach lasting solutions. There are indications that some progress is being made in this regard as well. Important talks on the return of the leading Sunni bloc, Tawafuq, to the Government are apparently progressing well. In another positive development, on 20 May, Turkoman representatives ended their 18-month boycott of the Kirkuk Provincial Council. We are therefore hopeful that these and other efforts will create a positive momentum towards national reconciliation.

For its part, the United Nations remains committed to carrying out its mandate under resolution 1770 (2007). Under the leadership of the Special Representative of the Secretary-General, Mr. Staffan de Mistura, the United Nations Assistance Mission for Iraq has stepped up its effort to assist Iraq in a number of areas, including political facilitation, the resolution of disputed internal boundaries, constitutional and electoral assistance, human rights and humanitarian assistance, and reconstruction and development assistance. I would like to take this opportunity to update the Council on UNAMI activities in each of those key areas.

On 5 June 2008, UNAMI presented its first set of analyses regarding Iraq's disputed internal boundaries, focusing on four specific districts in northern Iraq. During the press conference, Special Representative De Mistura explained the underlying methodology and stressed the need for Iraqi ownership of the process. UNAMI is determined to help the parties concerned find an acceptable process to resolve the country's disputed areas, bearing in mind that the Government of Iraq alone has the sovereign responsibility to make

decisions about this complex matter. UNAMI is also looking at ways to promote confidence-building measures in communities that remain divided and that remain suspicious of one another's intentions.

Resolving the status of Kirkuk is central to any effort to address disputed internal boundaries in Iraq. UNAMI has recently established a presence in Kirkuk and will continue to engage with all communities to work towards possible solutions for resolving the question of the administrative jurisdiction and status of Kirkuk. This is no easy undertaking; it will require time, patience and hard decisions and compromises on the part of the Iraqi leadership, including the development of political and constitutional processes that are acceptable to all major stakeholders. The United Nations stands ready to assist in that process, but the process must be centred on dialogue among Iraqis. Decisions on disputed boundaries will be made by Iraqis, and Iraqis alone.

UNAMI has been working closely with the Independent High Electoral Commission of Iraq on planning for an upcoming voter registration update and governorate council elections before the end of this year. These events would mark yet another milestone in achieving a representative and inclusive democracy in Iraq. However, the Council of Representatives has yet to approve a new election law that would serve as a basis for future elections. A number of issues are still under discussion, and the United Nations hopes that special provisions can be made to allow for the inclusion in the political process of internally displaced persons, women and minority groups. The electoral law must be passed by mid-July in order for the elections to take place this year.

UNAMI also continues to support the Commission in technical preparations for governorate elections, including the printing of materials for voter registration, the training of over 8,500 Commission staff to implement the registration process, the planning and logistics of governorate elections, and the carrying out of public outreach. Consultations have also taken place with security forces to ensure that governorate elections are conducted safely.

The United Nations strongly believes that the constitutional review process remains an important mechanism through which Iraqi communities can enshrine a national political agreement on the fundamental elements of the Iraqi State. In this regard, UNAMI has held talks with Iraqi interlocutors to facilitate agreement on outstanding political issues that remain in dispute, either within the Constitutional Review Committee itself or at higher political levels. These elements include the respective powers of the presidency, the governorates and the regions; the constitutional underpinnings of hydrocarbon revenue and wealth-sharing; and the resolution of disputed internal boundaries. These consultations come at an important juncture, before the Constitutional Review Committee submits its report to the Council of Representatives, which is expected to occur before the end of the legislative session at the end of June.

In the face of the many challenges facing the Iraqi people, the support of the international community, and of neighbouring countries in particular, is essential for the stability of Iraq. On the international front, on 29 May the first annual review of the Compact was hosted by the Government of Sweden in Stockholm. Co-chaired by the Prime Minister of Iraq and the Secretary-General, the Review Conference was the latest in a series of events marking Iraq's re-engagement with the international community, and it marked a new phase in the relations between Iraq and its international partners. The Government of Iraq took advantage of this opportunity to send a strong message to the international community that Iraq is a country with substantial resources and is looking for mutually beneficial partnerships with other countries in order to expand its human resource capacities and to unlock the economic potential of its resources. Regional and international cooperation in this area could bring enormous rewards to everyone involved. Indeed, we believe that the Compact can be raised to a new level of engagement, sustained by a strong partnership based on trade, economic exchange and investments. The Stockholm Declaration, adopted at the end of the Conference, highlighted the progress attained by the Government of Iraq in the most difficult circumstances and identified areas where progress needed to be achieved in the next year.

There are hopeful signs that progress is being made in the regional dialogue on Iraq as well. Since the last expanded ministerial meeting of Iraq and its neighbours, held in Kuwait on 22 April, there appear to be increased efforts to strengthen cooperation between Iraq and its neighbours on a number of issues. The United Nations welcomes contacts between Turkey and Iraq at various levels to discuss political, security and

economic cooperation. Following the Stockholm Conference, some Member States in the region — Bahrain, Jordan and the United Arab Emirates — have indicated their intention to appoint ambassadors to Iraq in the very near future. We very much welcome these developments and hope that other regional States will explore such opportunities for turning the regional dialogue process into a real partnership based on reciprocal obligations, mutual interests and concrete cooperation in the diplomatic, political, economic and cultural areas. In accordance with its mandate, UNAMI is committed to supporting the process of regional dialogue through the ad hoc support mechanism. Through that mechanism, the United Nations is providing targeted assistance to the Iraqi Ministry of Foreign Affairs to strengthen its capacity to promote regional dialogue, support the three regional working groups — on border security, energy and refugees — and to prepare for future ministerial meetings.

In the past weeks, the UNAMI Human Rights Office has focused its monitoring and advocacy activities on addressing the needs of Iraqi civilians who reside in the areas where intense fighting has taken place in recent months. UNAMI is hopeful that it will gain access to places of detention in order to better assess the plight of detainees, who could possibly include minors. Although much has been accomplished in Iraq, a great deal more remains to be done to promote the protection of human rights and the rule of law. In that regard, UNAMI is assisting the Government of Iraq in drafting legislation and establishing important institutions, including a national human rights commission, while continuing to build capacity and actively support the work of the Ministry of Human Rights.

We must also redouble our efforts to alleviate the suffering of Iraqi refugees and internally displaced persons, not only on humanitarian grounds, but also because this has regional repercussions. We believe that, together with the Government of Iraq and the wider international community, the United Nations can help host countries, particularly Jordan and Syria, cope until safe and voluntary return is possible. The United Nations country team has been focusing on providing host countries with humanitarian and technical assistance, and the country representative of the Office of the United Nations High Commissioner for Refugees in Iraq has now been posted full-time in Baghdad. The United Nations welcomes the recent actions of the Government of Iraq in that regard, particularly the confirmation of its contribution of $40 million to the United Nations country team's country consolidated appeal to support the World Food Programme in providing food assistance to vulnerable groups in Iraq and the $195 million that the Government recently earmarked to support the return of displaced Iraqis. For its part, the United Nations is developing a programme for refugee return to ensure that the Government of Iraq and aid agencies are ready when the conditions are ripe for that to take place.

Iraq's reconstruction remains a top priority for the United Nations. As the security situation improves, there will be growing demands to meet the basic needs of ordinary Iraqis, including jobs and services. UNAMI and the United Nations country team have been working together to consider ways to increase the level of support and reach inside the country. One notable effort has been to visit Ramadi to evaluate the local conditions on the ground for establishing a United Nations presence in the Al Anbar governorate and to assess what contribution the United Nations could make locally. Similar visits are expected to take place across the country during the course of the year. The United Nations hopes that it can not only increase the delivery of assistance throughout country, but also provide capacity-building and technical assistance to local governments.

The Secretary-General is committed to seeing the United Nations do more in Iraq under resolution 1770 (2007). Indeed, despite the security challenges, under the leadership of Special Representative De Mistura, UNAMI continues to expand its presence and activities inside Iraq. The United Nations remains heavily reliant on the support of Member States for protection and support. For example, a distinct entity was established in 2004 under the unified command of the Multinational Force, with a dedicated mission to provide security for the United Nations presence in Iraq. A trust fund was established at that time to accept and administer contributions from Member States in support of that force. To date, there are only enough funds to cover its operation costs until the end of August 2008. The Secretary-General therefore appeals to all Member States to continue contributing to the trust fund to ensure that the distinct entity is well funded at least until the end of the year and possibly beyond. We also encourage Member States to provide additional military advisers to the Mission in Iraq as a

critical component to expanding our presence inside the country. We thank the Government of Iraq for its offer of a suitable site for its new integrated compound in Baghdad and look forward to finalizing those arrangements.

In conclusion, despite continued progress in many areas, it should not be forgotten that Iraq is still a country in transition, recovering from three conflicts over the past 30 years. The people of Iraq have suffered immensely under the heavy burdens of dictatorship, war and neglect. Daily life for ordinary Iraqis remains a constant struggle, although their personal security may have improved in many parts of the country.

Now more than ever, urgent steps need to be taken to broaden the national reconciliation process and find solutions that will support a sustainable peace. That will require courage, brave leadership and often painful decisions and compromises, but the ultimate reward would be a peaceful, stable and prosperous Iraq. Addressing fundamental issues such as the sharing of resources, the future federal nature of the Iraqi State and the resolution of disputed internal boundaries requires wisdom, patience and strong political will. It is ultimately up to the Iraqis to make the right choices and build a sustainable and lasting peace. That is a challenge not just for the leadership of Iraq, but for all its communities. The United Nations will continue to stand by Iraq in this process.

The President: I thank Mr. Gambari for his briefing.

I now give the floor to Mr. Warren Sach, Assistant Secretary-General and Controller, Office of Programme Planning, Budget and Accounts.

Mr. Sach: As the designated representative of the Secretary-General on the International Advisory and Monitoring Board (IAMB), I should like to thank the Council for giving me the opportunity once again to brief it on the work of the Board.

In my December 2007 briefing (see S/PV.5808) it was recalled that the IAMB was established to fulfil the mandate set forth in resolution 1483 (2003). This mandate has subsequently been extended under resolutions 1546 (2004), 1637 (2005), 1723 (2006) and 1790 (2007). Resolution 1790 (2007) also extended the immunity of the Development Fund for Iraq (DFI) until 31 December 2008.

The Development Fund for Iraq, established under resolution 1483 (2003), holds the proceeds of petroleum export sales from Iraq, as well as the transferred balances from the United Nations oil-for-food programme and other frozen Iraqi funds. From inception to 31 December 2007, the IAMB has been informed that approximately $106.3 billion has been deposited in the Development Fund for Iraq from the sale of oil and oil products. The sum of $10.4 billion has also been deposited with the DFI from the balance of the oil-for-food funds held under escrow by the United Nations, and a further $1.5 billion has been deposited as proceeds from frozen assets.

The IAMB helps to ensure, first, that the DFI is used in a transparent manner for the benefit of the people of Iraq and, secondly, that export sales of petroleum, petroleum products and natural gas from Iraq are made consistent with prevailing international best market practices.

The IAMB provides independent and international oversight of the operations of Iraqi oil export revenues and of the use of the Fund resources. Thus the IAMB functions as the audit oversight board of the DFI and has as its members representatives from the Arab Fund for Economic and Social Development, the International Monetary Fund, the Government of Iraq, the United Nations and the World Bank. The IAMB continues to involve the Iraqi Board of Supreme Audit (BSA) and the Committee of Financial Experts (COFE) in its work to ensure continuity.

Since my last briefing to the Council, the IAMB has met two times, making a total of 23 meetings since its inception in December 2003. It has approved the appointment by the Government of Iraq of independent public accountants as the external auditors. It has reviewed the periodic audit results and requested and approved special audits. The results of the work of the IAMB are available on its website at www.iamb.info.

Under its mandate, in 2007 and 2008 the IAMB oversaw two audits of the DFI, covering the calendar years 2006 and 2007. Those audits were conducted by an international accounting firm, Ernst & Young, and covered oil export sales, the accounting for the proceeds from oil export sales, DFI financial statements and disbursements procedures for DFI resources, to ensure that funds are used for the purposes intended.

At its meeting held in May 2008 in Kuwait, the IAMB received a presentation on the draft audit report of the DFI. That presentation, which covered the audit period 1 January to 31 December 2007, is also posted on the IAMB website.

While highlighting some improvements in various areas, especially in access to spending ministries, the report also highlighted again the previously identified weaknesses in internal controls. Those weaknesses include incomplete record-keeping at the Ministry of Finance, the lack of a comprehensive oil metering system, the sale of oil and oil products outside of the DFI, incomplete contract information associated with the United States agencies' contracts and bartering.

During the May 2008 meeting the IAMB was also briefed by the auditors on the status of the implementation of the previously identified recommendations. Less than a 15 per cent implementation rate of audit recommendations was reported with respect to the spending ministries. The IAMB was concerned at the rate of implementation of the prior recommendations and urged the BSA, with the help of the COFE, to set up a concrete plan of action to ensure the implementation of the recommendations.

The Iraqi representative to the IAMB, the President of the BSA and the COFE all briefed the IAMB throughout 2007 and during the last two meetings in 2008 on progress in implementing earlier IAMB recommendations and in strengthening the overall framework for public financial management in Iraq.

The IAMB welcomed the progress made in 2007 to strengthen the financial and administrative controls over the use of DFI resources in the spending ministries. The IAMB also noted that some progress had been made with the establishment, in 2007, of an Iraqi committee to address external audit management letters in cooperation with the BSA. However, there continued to be a lack of substantial progress in internal control matters in Iraq. The IAMB found that further measures to strengthen the internal control framework were necessary.

The IAMB recommended, in March 2004, the expeditious installation of a comprehensive oil metering system in Iraq in accordance with standard oil industry practices. Oil metering is a key factor in achieving financial transparency and accountability over oil resources in Iraq. While the Government of Iraq supports oil metering, progress has been slow. Some metering has been installed at some oil terminals, but there continues to be no metering in the oil fields. In its previous reports, the IAMB welcomed the key steps taken to curtail smuggling. It believes that a system of metering, as recommended earlier by the IAMB, would go a long way towards improving overall controls. At its meeting in Kuwait, the IAMB was informed orally of the steps being taken to address the matter. The IAMB continues to view this matter as urgent, especially in the light of the auditors' report that showed unreconciled differences related to production, export sales and internal consumption.

The IAMB continued to be concerned that barter transactions were not accounted for in the DFI as required under resolution 1483 (2003). While some reduction in bartering occurred since 2004, following the allocation of Iraqi budget funds to import light petroleum products, the Iraqi State Oil Marketing Organization continued to undertake bartering in 2007. The use of barter transactions makes it difficult to determine whether fair value has been received for Iraq's oil export revenues. Moreover, as no revenues are generated from such barter or other in-kind deals and the notional value of such transactions are not recorded against the DFI, the IAMB is of the view that they could be inconsistent with the provisions of resolution 1483 (2003), which requires that all Iraqi oil export sales be deposited into the DFI and the United Nations Compensation Fund. The IAMB reiterated its concerns that barter transactions have not been accounted for in the DFI as required by resolution 1483 (2003). All of that notwithstanding, I am pleased to note that the IAMB was informed that the particular barter arrangement that had been taking place with a neighbouring country had ceased as of 31 December 2007.

The results of the audits in 2007 indicate that, while many efforts are being made, sometimes at great personal sacrifice, the overall financial system of controls in place in the spending ministries, in the United States agencies' handling of outstanding commitments using DFI resources and in the Iraqi administration of DFI resources remain deficient overall, and financial management reforms need to be pursued further.

At its twenty-third meeting, in May 2008, the IAMB was provided an update on the status of the procurement for the 2008 audit of the DFI. Given the satisfactory work performed by the current auditors, the representative for Iraq sought the IAMB's approval for the Government of Iraq to negotiate with the current auditor, Ernst & Young, for a third term. The IAMB unanimously approved the recommendation.

I would now like to refer to the previous request, made at the Security Council's 5808th meeting, for a briefing in Washington, D.C., of the representatives of the Council's member States. That matter was put before the IAMB, and the IAMB reiterated its earlier position that, as has been the practice, individual representatives on the Board should brief their respective organizations in an individual capacity. The IAMB therefore agreed that such a briefing be done by the Secretary-General's representative to the Security Council in New York.

That completes my briefing on the work of the IAMB. I will be happy to respond to any questions by members of the Council.

The President: I thank Mr. Sach for his briefing.

I now invite His Excellency Mr. Hoshyar Zebari, Minister for Foreign Affairs of Iraq, to make a statement.

Mr. Zebari (Iraq): In accordance with resolution 1790 (2007), the mandate of the Multinational Force in Iraq is now due for review. Iraq extends its thanks to the Security Council for the opportunity to address its member States on the current situation in Iraq as part of the review process.

We recently passed the five-year milestone in Iraq's democratic transition. Although my country continues to endure profound challenges, we have made commendable and significant accomplishments in the security, political and economic fields. My Government acknowledges, however, that our tangible and visible gains are vulnerable and fragile. Our priority is to consolidate and capitalize on what has been achieved.

I am pleased to report to the Security Council that Iraq is experiencing the lowest levels of overall violence and the smallest number of terrorist attacks since March 2004, more than four years ago. Our country has stepped back from the brink of civil war, and the Iraqi people, from all communities, have encouraged a number of initiatives to protect our civilians and our livelihoods.

We have witnessed, in the Awakening movement, former insurgents turning their arms towards the fighting of foreign terrorists. With the help of local communities, we have rooted Al-Qaida out from its neighbourhoods and strongholds. We have seen widespread support for the Government's programme to demobilize unlawful militias that operate against the rule of law. In particular, during the last six months, we have seen a continuation and consolidation of the significant trends that began last year with Operation Rule of Law and the positive impact of the surge strategy in support of the Iraqi security forces.

The Iraqi security forces continue to be strengthened in capacity, skill and confidence, thanks to clear and positive improvements in training and professionalism, enabling it to implement law and order in an impartial, non-sectarian manner. The forces have increased in size — to nearly 600,000 strong — and they improved their equipment. They now have primary responsibility for over half of Iraq's 18 provinces. Their efforts have won them the trust and cooperation of the Iraqi people and, with the support of the multinational forces, they have turned the corner in the fight against the insurgency and terrorism in Iraq.

At the same time, we continue to monitor the vigilance of military and security force leaders in preventing civilian casualties and maintaining respect for international humanitarian law during their operations.

Over the same period, the Government of Iraq has taken concrete action in the form of security, political and economic measures to strengthen national reconciliation and impose the rule of law. In April of this year, the President, the Prime Minister and heads of political parliamentary blocs issued a 15-point statement calling on all parties and political blocs to dissolve and disarm their militias, a move much praised by the Iraqi public.

Let me note here the Government's successful imposition of the rule of law in Basra, a city where the authority of the State had been challenged by unlawful militias, criminals and armed groups. The willingness of the Government to confront head-on illegal elements, not only in Basra but in Sadr City, Mosul — and indeed, anywhere in Iraq — is evidence of our greater confidence and ability to boost security. It also

demonstrates the progress of the Iraqi security forces and their capacity, with Multinational Force support, to undertake increasingly difficult missions.

To consolidate these security gains, the ongoing challenge for my Government is the equitable provision of essential public services in order to raise the standard of living for the Iraqi people. Electricity, water, sanitation, health care and fuel are key priorities.

At the same time, we are dealing with the momentous humanitarian challenges caused by the internal and external displacement of Iraqi people, in particular securing for them a safe, dignified and sustainable return home with the support of basic services in order to reintegrate them into their communities.

As a result of our security gains and the perseverance of political and community leaders in striving for national dialogue and reconciliation, Iraqis have pulled together to reverse a potentially devastating descent into sectarian war, and they have forcefully rejected the extremist agendas that incite conflict, hatred and civil strife in our country.

Significant political progress and critical strides made on our ambitious legislative agenda have also contributed to the consolidation of security and reconciliation. We have successfully passed key legislation, namely the Justice and Accountability Law, the General Amnesty Law, the regional powers law and, in 2008, the largest budget in our history, almost 40 per cent of which is allocated to public infrastructure and services.

Our Council of Representatives is hard at work to follow up with other pending laws, including the electoral and hydrocarbon laws that will be crucial to further promoting national reconciliation through expanding political inclusiveness and through reaching consensus on the equitable sharing of Iraq's resources. Iraq has also ratified the United Nations Conventions against corruption and against torture, demonstrating our commitment to transparent, accountable governance and to upholding human rights.

Clearly, there have been delays in formulating and passing certain key legislation. I would remind the Security Council that Iraq is still recovering from decades of war, sanctions and dictatorship, which tore the very fabric of our society. Building trust to reach a consensus on a common national agenda takes time and space, but there is a renewed political will to bring negotiations to a closure.

We now have a unique opportunity to address difficult, divisive issues and strengthen our national unity through the constitutional review process, culminating in reaching agreements on constitutional amendments on federalism, resource sharing and other issues. By expanding political dialogue and further integrating those groups that renounce violence in favour of peaceful political participation, we are taking further steps towards sustainable peace and stability. We look with confidence towards our next major milestone: the provincial elections scheduled for October, which will be contested in an open, inclusive and dynamic political environment and which will mark the completion of one full electoral cycle.

With respect to the economy, in 2007 Iraq considerably improved its budget execution, spending nearly triple what it spent in 2006, despite difficult conditions. This result was praised at the recent ministerial Conference of the International Compact with Iraq held in Stockholm.

Significantly, the volume of oil output is at its highest level since 2004. We have also managed, through sound monetary policy, to reduce annual core inflation from 36 per cent at the end of 2006 to the present 16 per cent, to the great benefit of all Iraqis. Since 2003, unemployment has dropped over 10 per cent, while annual per capita income has increased considerably, from $465 to $2,100. The International Monetary Fund predicts that prospects will continue to improve in the coming years and described Iraq's achievements under the standby agreement as impressive and remarkable in the given context.

Iraq is a wealthy country, and although our resources are clearly underutilized, we have become the principal funder of all our reconstruction efforts. We recently concluded the first annual Review Conference of the International Compact with Iraq in Stockholm, which has provided a key framework for international cooperation in all spheres of political governance and socio-economic recovery.

Through a series of Government initiatives, Iraq will work with its international development partners on reconstruction to increasingly leverage Iraq's own resources so that it may realize its full potential through mutually beneficial cooperative partnerships in

the region and beyond, reducing reliance on financial donors.

Regionally, the relationships between Iraq and its neighbours continue to develop through direct dialogue and diplomacy. The series of neighbouring countries meetings, expanded to include the permanent members of the Security Council, the world's leading economies and other key countries and organizations, is now an ongoing Iraqi-led process recognized and supported by the United Nations. It has led to concrete mechanisms through which Iraq and its neighbours can address issues of common interest and resolve issues through the Working Groups on Energy, Border Security and Refugees. Efforts continue to resolve issues such as war repatriation, debt relief and water.

We are pleased to note the decisions of the United Arab Emirates, Bahrain, Jordan and other countries to appoint ambassadors to Baghdad, and we urge our other neighbours and other Arab countries to follow this example.

Security continues to be the leading concern and the foremost responsibility of the Iraqi Government, as well as the principal prerequisite for progress in the fields of reconstruction and social and economic development. Even though the Iraqi security forces are now better trained, better equipped and greater in number, they still fall short of being able to independently assume full responsibility for the maintenance of security throughout the Iraqi territory and thus to allow the Multinational Force to complete its mandate. In particular, the support of the Multinational Force may prove essential to support the forthcoming provincial elections in October.

The Government of Iraq continues to be grateful to Multinational Force for its vital contribution towards establishing security and stability in Iraq and towards developing the self-sufficiency of Iraqi forces. Iraq continues to need the assistance of the Multinational Force, whose mandate is now due for review, pursuant to Security Council resolution 1790 (2007) and in accordance with Iraq's request in a letter from Prime Minister Nuri al-Maliki to the Council, dated 7 December 2007 and annexed to that resolution.

The Government of Iraq welcomes the continued support of the Multinational Force, consistent with its mandate as set forth in resolution 1546 (2004), including the tasks and arrangements specified in the letters annexed thereto, as extended by resolutions 1637 (2005), 1723 (2006) and 1790 (2007), recognizing that the mandate may be terminated upon request of the Government of Iraq.

I bring it to the attention of the Security Council that Iraq is currently negotiating bilateral strategic agreements with the United States to provide the framework for security arrangements that will address Iraq's security needs covered at present by the Multinational Force's mandate. The strategic framework agreement and the status-of-forces agreement, together as one single package, should reflect the progress achieved in the development of the Iraqi security forces. The transition from multilateral to bilateral security arrangements will entail transparent processes, subject to the approval of the elected Council of Representatives and preserving the sovereignty and national interests of Iraq and the Iraqi people.

The Government of Iraq also welcomes the continuation of the current arrangements regarding the Development Fund for Iraq (DFI) and its International Advisory and Monitoring Board (IAMB) as extended in resolution 1790 (2007). My Government reaffirms the important roles of the DFI and the IAMB in ensuring the responsible management of Iraq's resources to the optimal benefit of the Iraqi people. It also acknowledges the contribution of those mechanisms towards strengthening Iraq's partnership with the international community through transparency and accountability in resource distribution. We further request a reconsideration of Iraq's compensatory obligations, which have increased considerably in magnitude over the last year and which continue to put pressure on the Iraqi budget and reconstruction and development programmes.

My Government wishes to extend its appreciation for the work of United Nations Assistance Mission for Iraq, as set forth in resolution 1770 (2007), and of the Special Representative of the Secretary-General, Mr. Staffan de Mistura, in recognition of the invaluable support they are providing to help Iraq address the challenges it faces today. We also note, and encourage, the trend to increase the presence of the United Nations and its specialized agencies in Iraq.

As Iraq continues to pursue its strong drive towards full normalized integration into the regional and international communities and the globalized economy, we are burdened by the heavy legacy of debt

incurred by the previous regime. Iraq seeks assistance from its neighbours and the international community to find solutions and support us in overcoming the financial obligations that were bestowed upon us, so that we can all benefit from mutually beneficial economic ties that will contribute towards the prosperity and stability of Iraq and the region.

Finally, there is a renewed sense of optimism for my country. We have proved we can be successful in Iraq, and my Government is confident of recovery. This is once again an important year for the people of Iraq, and we call upon the family of nations to stand with us in solidarity and in hope.

The President: I shall now give the floor to members of the Council.

Mr. Spatafora (Italy): I would like first of all to warmly welcome His Excellency the Minister for Foreign Affairs of Iraq, Mr. Hoshyar Zebari, and to thank him for his presence here today and for what he has told us. He has, indeed, offered us a very clear picture of where we stand today. The big picture is before us and, as he has told us, it is a positive picture. Under-Secretary-General Gambari is right: hope and confidence now appear to be well rooted.

I would also like to thank you, Mr. President, for your briefing on behalf of the Multinational Force in Iraq (MNF-I) and to thank Under-Secretary-General Gambari and Assistant Secretary-General Sach for their very informative briefings.

Italy welcomes the progress made the Iraqi Government in rebuilding an autonomous defence and security capacity, and the recent actions it has taken against Al-Qaida terrorist elements and to re-establish legitimate State authority, which had been tainted by illegal militias and armed groups. In that regard, it is our hope that the Iraqi Government will follow through on its decision to disband all militias, which are an element of instability that threatens to impair the Iraqi Government's ability to take full responsibility in the field of security.

We applaud MNF-I's ongoing contribution to the re-establishment of Iraq's security capacity. Italy has undertaken a renewed and consistent commitment to the re-establishment of the Iraqi security forces within the framework of the NATO training mission, whose mandate has recently been extended to the new national police force.

We also greatly welcome the positive steps made in the area of national reconciliation, in particular the General Amnesty Law and the revision of the de-baathification law, and the progress in rebuilding the Iraqi society and economy. We welcome the 2008 budget and improvement in executing the budget, as shown at the recent international Conference in Stockholm, where Iraq indicated sources of co-financing and technical assistance that will indeed help activate the country's own enormous resources as a priority for economic partnership with the international community. We welcome the upcoming the provincial elections as a meaningful towards further consolidating the democratic process.

In another positive development and in the spirit of building overall relations within the framework of the expanded neighbours process, a number of countries in the region have recently decided to open embassies in Baghdad and to appoint ambassadors to Iraq.

We believe that debt relief, in accordance with Paris Club terms, is crucial at this juncture, and we strongly hope that the countries of the region promptly finalize the necessary agreements, thus giving a tangible sign of their support for the reconstruction and stabilization of Iraq.

Italy has always fully supported the United Nations Assistance Mission in Iraq (UNAMI) and its broader mandate provided by resolution 1770 (2007). We also welcome its role regarding the issue of the disputed internal boundaries. It is our hope that the United Nations agencies will have a more incisive presence on the ground so that the United Nations can provide effective leadership in coordinating international contributions.

Finally, we encourage the Iraqi Government to take further measures to address the situation of Iraqi refugees abroad and of internally displaced persons and to facilitate their return to their homes.

Mr. Suescum (Panama) (*spoke in Spanish*): I would like first to welcome among us Mr. Hoshyar Zebari, Minister for Foreign Affairs of Iraq, Assistant Secretary-General Warren Sach, who briefed us on behalf of the International Advisory and Monitoring Board (IAMB), and Under-Secretary-General Ibrahim Gambari, who briefed us on the activities of the United Nations Assistance Mission for Iraq (UNAMI). I thank them all for their briefings. I would also like to thank

you, Mr. President, for your briefings in your national capacity on behalf of the Multinational Force in Iraq (MNF-I).

On 16 October 2003, the Security Council authorized, through resolution 1511 (2003), a multinational force under unified command to contribute to the maintenance of security and stability in Iraq. More than four years after the force was approved, it is now vitally important for the Security Council to evaluate objectively the goals that have been achieved and the lessons that can be learned from this presence.

In that respect, we have taken note of the progress made in the security situation — some of which were mentioned in your briefing, Mr. President — and, in particular, the operations in the Basra region, where the Iraqi security forces, with the support of the Multinational Force (MNF) have made significant progress in establishing the rule of law. As a complement to this, we recognize the work of the Multinational Force in providing training and equipment to the Iraqi security forces so that, in the future, they will be able to fully assume full responsibility for maintaining security in the country.

We need to continue to build up the United Nations Assistance Mission for Iraq. Our debate on UNAMI in April (see S/PV.5878) and Mr. Gambari's briefing describe the important work that is being done by the Secretary-General to enhance the presence and effectiveness of humanitarian personnel.

Humanitarian needs continue to be of concern, not just for the general population in Iraq, but especially for internally displaced persons and refugees. We are also concerned by the difficult circumstances described in the most recent UNAMI human rights report, including the situation regarding due process for detainees.

However, despite the difficult circumstances, there still are reasons to be encouraged. Among other examples, we have the International Compact with Iraq. Additionally, and in particular, Iraq's neighbours have recognized that the current situation has effects which go beyond the borders of Iraq and that they need to increase their cooperation and the complementarity of their efforts.

We take note of the Conference held in May in Stockholm. We urge that efforts continue to ensure that this leads to the stepping up of international cooperation on the ground.

It must be recognized that the current security situation in Iraq makes it difficult to establish a strong monitor structure to how the resources of the Development Fund for Iraq are being used. But, we are concerned by some of the conclusions set out in the third interim report of the IAMB on the way in which funds have been managed.

In this respect, we call on the Iraqi Government to carefully analyse the recommendations made in the interim report and to redouble its efforts to make progress with regard to carrying out stricter and more transparent budgetary and financial monitoring.

Finally, it may be that starting next year, the presence of foreign military forces in Iraq will be on the basis of bilateral negotiations and, for the first time, not on the basis of a Security Council decision. Panama recognizes the sovereign right of the Iraqi Government to make decisions enabling it to meet the security needs of the people, and we hope that this decision and others of equal importance for the political, social and economic life of the country will be the result of consensus from all sectors in Iraq.

Mr. Ettalhi (Libyan Arab Jamahiriya) (*spoke in Arabic*): We would like at the outset to welcome Mr. Hoshyar Zebari, Minister for Foreign Affairs of Iraq. We highly appreciate his presence and we thank him for his comprehensive statement. We express our pleasure at the optimism that he has expressed.

In addition, we would like to thank you, Mr. President, for the briefing you presented in your national capacity. We also thank Mr. Ibrahim Gambari and Mr. Warren Sach for their briefings.

We express our satisfaction with the content of the letter from the Iraqi Foreign Minister to the President of the Council (S/2008/380, annex) as well as what the Minister said in his statement before the Council today regarding the progress Iraq has achieved on various fronts, including in the security, political and economic spheres. We are also pleased with the situation regarding Iraq's relations with other States, especially its neighbours. This progress was reaffirmed by all the other speakers who briefed us this morning.

As the Foreign Minister said, there is no doubt that the Iraqis still face many challenges, but as we said in a statement delivered before the Council on

28 April (see S/PV.5878), the history of Iraq has taught us that the Iraqis have always been able to put their country's interests first and to rise from the ashes stronger and with deeper faith and greater determination.

We had hoped that Iraq would not need the mandate of the MNF to be extended before the end of the year. But it appears that, in the view of the Iraqi Government, security conditions are not yet propitious, despite the great improvement in the security situation that previous speakers have noted this morning. The most prominent element of this is the fact that it has been possible to impose the rule of law in Basra and to confront and disarm armed militias throughout Iraq, along with a drop in violence and sectarian bloodshed to unprecedentedly low levels.

We are confident that Iraq is eager to preserve its sovereignty, and we hope that conditions will quickly improve and stabilize. Continued improvements in security and stability are linked with national reconciliation and with the need to convince all Iraqi parties that they have an opportunity for equal power- and resource-sharing in the context of setting aside ethnic and sectarian differences. Here, we welcome the efforts of the Iraqi authorities and the substantial progress that has been achieved. We hope that the provincial elections planned for October will reflect national reconciliation, a renunciation of sectarianism and a reaffirmation of Iraq's unity and territorial integrity.

We are gravely concerned over the legal and humanitarian situation of Iraqi detainees, especially those held by coalition forces, among whom are large numbers of children. We remind all those concerned that they have legal obligations they must respect. We also recall reports issued by international organizations on the harsh conditions endured by Iraqi refugees and internally displaced persons (IDPs). Easing their suffering and working to ensure conditions under which they can return must be a priority for the Iraqi authorities, as Iraqi Prime Minister Nuri al-Maliki stated today. The main indicator of stability in Iraq is the return of refugees and IDPs to their homes. We believe that this is indispensable for continued stability, security and development in Iraq.

My country strongly supports all efforts and arrangements aimed at stabilizing the security situation in Iraq, in a manner that does not run counter to Iraq's sovereignty, in particular efforts to rebuild the armed forces and security institutions, to put an end to the dissemination of weapons, to impose the rule of law and to reactivate development on the basis of genuine national reconciliation, with a view to safeguarding Iraq's unity, territorial integrity and identity.

My delegation attaches high value to the activities of the United Nations Assistance Mission for Iraq (UNAMI) in all fields, and it supports a continued — and increased — presence by the United Nations and its specialized agencies.

Iraq requires huge investment if it is to rebuild what was destroyed in the invasion and to kick-start development efforts. We believe that the international community must shoulder its responsibilities in that regard. Here, we welcome the 29 May Stockholm Conference. We hope that all parties will understand the burden Iraq bears as a result of prior obligations and its impact on reconstruction and development. In our region, we all realize that Iraq's stability — with everything that this concept implies — is the cornerstone of the stability and indeed the prosperity of the entire region.

In conclusion, we express our appreciation for the draft statement proposed by the delegation of the United States.

Mr. Kafando (Burkina Faso) (*spoke in French*): At the outset, my delegation welcomes Mr. Hoshyar Zebari, Minister for Foreign Affairs of Iraq, and thanks him for his assessment of recent developments in the situation in his country. We also thank Ambassador Khalilzad, who has just briefed us on behalf of the Multinational Force. Finally, our thanks to go Mr. Ibrahim Gambari and Mr. Warren Sach for their very informative briefings.

The information we have just heard confirms that significant progress has been made in the area of national reconciliation in Iraq, all of which has made a significant contribution to a reduction in tension and to opening up new political and economic prospects for the country. The situation is especially encouraging as we are also witnessing some easing of the security situation, in particular following the recent operations carried out by Iraqi security forces against armed groups. But many challenges remain in this sphere if the entire territory of Iraq is to be made secure.

My delegation remains deeply concerned at the humanitarian situation in Iraq; unfortunately, the number of refugees and internally displaced persons (IDPs) is still very high. We are particularly concerned at the living conditions for women and children and by the violations of human rights that have taken place. We therefore call upon all parties to strictly respect humanitarian law and human rights.

On the political front, the adoption of the Justice and Accountability Law, the Law on Governorates not Organized into a Region, the General Amnesty Law and the 2008 budget warrant a degree of optimism, especially if, as we hope, the elections planned for October go forward satisfactorily. We have the same optimism in the economic area: increasingly, the Government of Iraq is mastering the implementation of the national budget, despite the debt burden it bears, and is making an enormous effort to make progress on national development and reconstruction. In that regard, my delegation is pleased to note the initiative to enhance the transparency of the Development Fund for Iraq by strengthening partnerships with the international community. The role of the Fund, as the Controller has pointed out, is clearly of great importance for recovery and for building the country's economy. Another element in the significant progress we have seen in Iraq is the complementarity among the actions of the Iraqi Government, the Multinational Force and the United Nations Assistance Mission for Iraq (UNAMI).

Nonetheless, challenges still abound. That is why, in the light of the stabilization process and the ongoing bilateral negotiations with the Governments of the United States and other countries, in particular in the security area, my delegation agrees that Multinational Force should be maintained, in conformity with the relevant provisions of resolution 1790 (2007).

Finally, my delegation would like to reiterate its support for UNAMI, recognizing the important assistance it provides to the Iraqi people on all fronts, including the security, political, diplomatic, economic and humanitarian fronts, so that they can take charge of their destiny and strengthen their dialogue with their neighbours. The Security Council must continue to encourage and give its full support to the Mission.

In the same way, the international community must continue to stand by the people of Iraq and express its full solidarity with them. After all, it is the destiny of the Iraqi people that we are speaking about. That support will be invaluable to them and will reinvigorate their efforts to move towards national reconciliation and reconstruction.

Mr. Jurica (Croatia): Allow me to begin by extending a warm welcome to the Minister for Foreign Affairs of Iraq, His Excellency Mr. Hoshyar Zebari, and thank him for his presentation. I would also like to thank Under-Secretary-General Gambari, Ambassador Khalilzad and Controller Sach for their briefings to the Council.

Iraq has shown commendable progress on the political, economic and security fronts. We are encouraged by the commitment of the Iraqi Government to continue to apply those efforts in order to expand on and consolidate the achievements that have been reached thus far. The remarkable macroeconomic indicators point to an expanding economy, with the Government's efforts at reviving the economy showing positive upward trends. My country looks forward to seeing Iraq's vast economic potential translated into improvements of the infrastructure and essential services for all Iraqi citizens.

In the legislative area, a number of important milestones have been achieved this year, notably the adoption of legislation on de-Baathification reform, amnesty, provincial powers and the budget. We hope to see the same progress on the issue of hydrocarbon resources, the implementation of article 140 of the Constitution and the constitutional revision process. No less important is the prompt adoption of legislation guiding the provincial elections, to be held before the end of this year. Should it be further delayed, the whole electoral timetable may be jeopardized.

This year has also witnessed a marked improvement in security. It has been encouraging to hear from you, Mr. President, on behalf of the multinational forces, that the security indicators continue to improve. A secure environment is without question a prerequisite for progress in most other sectors. In recent months, the Iraqi security forces have demonstrated an increased ability to address security challenges. With support from the multinational forces, they have worked, often tirelessly, to improve security and public order, combat terrorism and sectarian violence and impose the rule of law. That being said, we recognize that this is a long-term effort, which will require the building of professional, impartial and

non-sectarian security forces that enjoy the trust and respect of all Iraqi communities.

Iraq is undergoing a phase of critical transformation, and the results achieved thus far allow us to believe that that process is moving in the right direction. Notwithstanding, we are aware that the journey is not without significant challenges of a political, security and humanitarian nature.

My delegation continues to believe that the United Nations Assistance Mission for Iraq (UNAMI) and multinational forces are well placed to play a central role in leading the international effort to help Iraq address and overcome the remaining challenges, notably in assisting the people of Iraq in advancing political dialogue, extending electoral assistance, supporting the constitutional review process and facilitating the regional dialogue process. We commend and support the efforts of Special Representative of the Secretary-General De Mistura and the UNAMI staff, who continue to carry out their mandate and expanded the Mission's presence under difficult circumstances. We attach great importance to the role of UNAMI in resolving the dispute on the internal boundaries and take note of the recently presented analytical reports on the four disputed districts proposing a series of specific confidence-building measures. We also note the message from Mr. De Mistura that the Government of Iraq alone has the sovereign responsibility to decide on that process.

The recent annual review conference of the International Compact with Iraq, held in Stockholm, was another demonstration of the continued involvement of the international community in helping to advance the vision of a stable, secure and prosperous Iraq. We are pleased with the progress made since its launch one year ago. While we recognize that international support at this stage is still vital, the implementation of the Compact should be an Iraq-led effort. National ownership and strong leadership by Iraq and Iraqis remain crucial for its success. Our ultimate goal should remain the transformation of Iraq into a fully integrated member of the international community.

That integration, both political and economic, begins at the regional level. We are pleased with the positive plans being developed under the aegis of the extended ministerial conference of neighbouring States and would encourage its further engagement. The constructive engagement of Iraq's neighbours is critical for the long-term stabilization and reconstruction of Iraq. My delegation finds it unacceptable that those efforts are being jeopardized by armed groups that are attacking Iraq and the coalition forces in an attempt to undermine the security and stabilization of Iraq.

Stability, normalization, reconciliation, economic and social development and the consolidation of democracy in Iraq remain our shared goals. The progress achieved thus far gives us hope to believe that the Iraqi people are determined to overcome the remaining challenges and, with the assistance of the international community, consolidate those gains.

Mr. Sangqu (South Africa): We welcome the Minister for Foreign Affairs of Iraq to this meeting. We thank Mr. Warren Sach, representative from the United Nations to the International Advisory and Monitoring Board (IAMB) and Under-Secretary-General Ibrahim Gambari for their briefings, and you, Mr. President, for the briefing on the activities of the Multinational Force in Iraq (MNF-I).

We welcome the progress that has been made by the Iraqi authorities in addressing the security situation, as reported by the Minister for Foreign Affairs. However, we are concerned because the current security situation in Iraq remains fragile. We reiterate that any solution to the conflict in Iraq must be all-inclusive, focusing on the political process and national reconciliation as well as constructive dialogue with all neighbouring States. We therefore commend Iraqi and regional leaders for their intensified efforts to improve regional security. My delegation supported the adoption of resolution 1790 (2007), renewing the mandate of the MNF-I, because the Iraqi Government is of the view that its continued presence will be necessary for security. We note the Iraqi Government's expectation that this could be the final mandate renewal of the MNF-I.

South Africa welcomes the adoption of resolution 1790 (2007), which extends the mandate of the IAMB. However, we remain concerned at the repeated findings by the independent auditors that serious irregularities with regard to the disbursement of funds from the Development Fund for Iraq and oversight over all sales and contracts have not been acted upon. The latest judgment by the IAMB, issued on 2 June 2008, notes that all bartering "could be construed as a violation of the UN Security Council Resolution 1483". We

reiterate that paragraph 14 of resolution 1483 (2003) states that the IAMB was set up to ensure the Development Fund for Iraq is

> "used in a transparent manner to meet the humanitarian needs of the Iraqi people, for the economic reconstruction and repair of Iraq's infrastructure, for the continued disarmament of Iraq, and for the costs of Iraqi civilian administration, and for other purposes benefiting the people of Iraq".

It should also be noted that the IAMB and its independent auditors have been allowed to scrutinize only a small sample of foreign contracts with post-war Iraq. In that regard, we note with concern some reports suggesting that as much as $23 billion may have been lost, stolen or not properly accounted for in post-war Iraq. Clearly, the Security Council would be derelict in its duties if it did not immediately follow up on a potential scandal of such magnitude. We expect those responsible to be held accountable for their actions.

I should like to conclude by reiterating that, notwithstanding the events that led to the current situation, the Security Council has a responsibility to ensure that the powers it granted to the Multinational Force are exercised in a manner consistent with the decisions of the Council, that Iraq's national resources and the funds in the Development Fund for Iraq are used for the benefit of the Iraqi people, and that international law and human rights are upheld and respected by all parties.

Ms. Pierce (United Kingdom): I too would like to extend my delegation's welcome to His Excellency the Foreign Minister of Iraq, as well as to thank him for his remarks to the Council today on behalf of the Iraqi Government. I would also like to thank Special Adviser Gambari for his presentation, the Controller for his briefing and you, Mr. President, for your presentation of behalf of the Multinational Force in Iraq.

The Security Council discussed the issue of Iraq in the Chamber some six weeks ago. At that time, my delegation noted the progress in Iraq that is still under way, namely, concerted efforts by Iraq's leaders to pass laws aimed at uniting the country, underpinned by a steadily developing spirit of cooperation; continued forward movement on arranging provincial elections later this year; and improved security, with the Government of Iraq taking decisive action and with cross-party political support, to uphold the rule of law, in particular in Basra, Sadr City and Mosul. Together, that sustained progress has helped to rid Iraq of those who seek to sow havoc and violence, to create economic opportunities and to provide services to the Iraqi people. In doing all of that, it has also helped to make political space for Iraq's leaders to work towards national reconciliation.

But, as we have heard today, there remains work to be done. May I take this opportunity to encourage the Iraqi Government to cement improvements in security by taking forward economic development initiatives and by driving political progress. I should also like to take this opportunity to encourage Iraq's leaders and the Council of Representatives to agree the necessary legislation to ensure that provincial elections take place this year and to allow the passage of hydrocarbons legislation. The longer that legislation is delayed, the more the full and effective development of Iraq's oil sector is held back.

I would now like to turn to the international front. My Government would like to take this opportunity to commend the Government of Sweden, the United Nations and the Government of Iraq for the successful holding of the first Iraq Compact Annual Review Conference, in Stockholm. We welcome Mr. Gambari's role in that. The level of international participation in the Conference was impressive. The much-appreciated presence of a number of Iraqi ministers and officials demonstrated Iraq's commitment to making the Compact work. Prime Minister Al-Maliki made clear that Iraq wants, and is prepared to build, strong relations with the international community, notably its neighbours. We welcome recent decisions by Bahrain, Jordan and the United Arab Emirates to appoint ambassadors to Iraq. We hope that this will serve as encouragement to others.

My Government continues to support the work of the United Nations and the Secretary-General's Special Representative for Iraq. We welcome the efforts of the Special Representative and his team on disputed internal boundaries and the presentation of the first phase of the United Nations analysis. We encourage all parties to continue to engage with the United Nations and to reach a mutually acceptable solution on the disputed areas.

The United Kingdom would also like to encourage the Government of Iraq to work closely with the United Nations to identify a suitable location for a

new compound in Baghdad for the United Nations Assistance Mission for Iraq (UNAMI), as well as to make a financial contribution towards its construction. We echo the calls of the Secretary-General for additional military advisers for UNAMI and further contributions to the "middle ring" trust fund. The United Nations has an important role to play in Iraq. We should not do anything that casts doubt, or perceived doubt, on our support for its activities.

The United Kingdom's policy in Iraq has been to help the Iraqi people to get to the point where they can take control of their own destiny and security. To that end, in December 2007 the United Kingdom-led Multinational Division-Southeast transferred responsibility for security in Basra province to the Iraqi authorities. All four provinces in southern Iraq are now under Iraqi control. Countrywide, half of Iraq's provinces are now under Iraqi control, with two more scheduled to transfer in June and July. That transfer has meant that Iraqis are taking the lead in solving the challenges and problems that they still face in their country, taking decisions on their own future and taking responsibility for those decisions. The Government of Iraq's crackdown on criminal groups in Basra launched in March of this year is evidence of that trend. We welcome the major improvements in security that that has brought about. The United Kingdom remains committed to supporting Iraqis in that endeavour.

United Kingdom forces have a clear mission to fulfil in southern Iraq, focused on the mentoring and training of the fourteenth division of the Iraqi army in Basra until that army is fully operational. Our forces also remain ready to support the Iraqi security forces, if requested, through the provision of logistical and operational support as necessary. In parallel, we continue to work through the United Kingdom-Iraq Basra Development Commission and the United Kingdom-led Provincial Reconstruction Team to build local governance capacity and to help the Iraqi authorities increase investment and economic opportunity in Basra.

Mr. Liu Zhenmin (China) (*spoke in Chinese*): The Chinese delegation welcomes Mr. Zebari, Foreign Minister of Iraq, to this meeting. We also thank Special Adviser Gambari and Assistant Secretary-General Warren Sach for their briefings. We would also like to thank you, Ambassador Khalilzad, for your briefing on behalf of the Multinational Force in Iraq (MNF-I).

Iraq has made notable progress in the political, security and reconstruction fields. We should acknowledge the efforts made by the Government of Iraq. We welcome the recent notable improvement in the security situation in Iraq. Achieving sustainable peace, security and stability are preconditions for addressing the other problems confronting Iraq.

We note with appreciation that the capabilities of Iraqi security forces have improved gradually. We hope that they will soon take on the difficult task of independently maintaining national security and law and order. We also expect that MNF-I will genuinely and earnestly carry out its mandate under the relevant resolution of the Security Council and, in its operations, strictly abide by international humanitarian law and human rights law and maintain close consultations with the Government of Iraq.

In order to consolidate the gains made in the improved security situation in Iraq, it is imperative to vigorously promote the political process and bring about genuine national reconciliation. We hope that all Iraqi parties and factions will attach importance to the national interest and intensify dialogue and consultation. With regard to major issues having a bearing on the future of the country, as part of a fair, open and inclusive political process, the Government of Iraq should listen closely to views and establish strong political consensus. We encourage the United Nations Assistance Mission for Iraq (UNAMI) to continue to play its positive role in promoting political reconciliation in Iraq.

The provincial elections scheduled for this autumn are of great significance to the political process and national reconciliation of Iraq. We support the Government of Iraq in making the serious preparations required to ensure the smooth conduct of the elections. UNAMI should treat electoral assistance as a short-term priority and use its own strengths in this area to assist Iraq.

If the political process represents the front wheels of a vehicle, then economic reconstruction and development represent its rear wheels. Only when the front and rear wheels move in tandem can Iraq move ahead steadily. Iraq has a wealth of natural and human resources. It has great potential for economic recovery and development.

Within the framework of the International Compact with Iraq, the international community,

including the countries of the region, has extended a hand of cooperation. The key now is to translate commitments into firm, concrete action. At the recent Review Conference of the International Compact in Stockholm, the Government of Iraq put forward a new plan and vision for its economic reconstruction and development, to which the international community should respond positively.

The Development Fund for Iraq is a major source of funding for the reconstruction of the country. We hope to see stronger governance of the Fund and greater respect for Iraq's ownership, in order to ensure the effective and transparent use of the Fund to the benefit of all the people of Iraq.

Finally, I wish to express our appreciation to UNAMI, under the leadership of Mr. Staffan de Mistura, for the work it has performed. We support the continuation of UNAMI's assistance to the Government and the people of Iraq after August of this year.

Mr. Grauls (Belgium) (*spoke in French*): First of all, my delegation would like to welcome the presence of His Excellency Mr. Hoshyar Zebari, Minister for Foreign Affairs of Iraq. We would like also to thank Special Adviser Ibrahim Gambari and Assistant Secretary-General Warren Sach for their respective presentations. Our thanks also go to you, Mr. President, for your briefing on behalf of the Multinational Force (MNF).

During the past few months, several meetings have permitted Iraq's neighbours and the international community as a whole to welcome two positive developments. First, there is the significant improvement of the security situation in Iraq and, secondly, the intensification of efforts by Iraq, beginning with its Government, to construct the stable, democratic, united and prosperous country to which all Iraqis aspire.

We cannot fail to welcome these positive trends, but the violence that continues to strike the civilian population and the still-precarious conditions of Iraqis who have had to flee their homes reminds us of the scope of the task that remains to be completed.

Belgium attended the first Review Conference of the International Compact with Iraq in Stockholm and was thus able to reiterate that the Iraqi authorities and the international community must not weaken in their efforts. First and foremost, these efforts must be focused on improving the daily lives of Iraqi citizens, through assistance that remains essential for refugees in neighbouring countries and for internally displaced persons, as well as in the broader context of economic and social development.

Among the things that give us hope for a new beginning, the annual progress report presented on 29 May in Stockholm stressed the advances already made, as well as the challenges that Iraq, with its great potential, must meet. The first of these challenges is to ensure access for all to essential services such as food, water and electricity supplies, health services and education.

Next, in broader terms, the Iraqi leadership must apply the principles of good governance, which must guide them in the exercise of their functions for the benefit of all of the country's citizens. In this context, Belgium welcomes the observation by the International Advisory and Monitoring Board (IAMB) that Iraq has achieved some progress in the implementation of the recommendations it received after the audits of the Development Fund for Iraq. Belgium, however, supports the encouragement that accompanies that observation: for the Government of Iraq to intensify and accelerate its efforts to eliminate the gaps that the audit reports continue to note.

The efforts of the Iraqi Government to re-establish its monopoly over legitimate force for maintaining order and to advance the cause of national reconciliation must, moreover, constitute the foundation for building the State to which Iraqis legitimately aspire.

With regard to security issues, these efforts must be accompanied by a strengthening of the rule of law, the impartiality of which will ensure the trust of all Iraqis. We welcome the increased strength of the Iraqi security forces. We have taken note of the wish of the Iraqi Government not to put an end at this stage to the mandate of the Multinational Force, which expires on 31 December 2008.

With respect to the political dimension, it is important to finalize as quickly as possible the preparations for credible elections in the governorates, which will make it possible to enhance inclusiveness and the democratic legitimacy of Iraqi institutions. It is important also to continue legislative and constitutional endeavours in order to ensure that every community

has the right to participate in deciding on a common future.

In this context, we express our full support to the step-by-step method proposed by the United Nations in order to help the Iraqi authorities in addressing the issue of disputed internal boundaries. The technical analysis completed for four districts and the confidence measures should facilitate the Iraqi Government's crafting of a political agreement that would extend to all these disputed cases and that would form a necessary link with the future organization of the entire country.

For Belgium, these United Nations proposals fall within the framework of the implementation of the mandate set out in resolution 1770 (2007). Indeed, this mandate strengthened assistance to the Iraqi Government in the political, humanitarian and reconstruction spheres. We reiterate our appreciation for the quality of the work that the United Nations has carried out in Iraq.

However, the Security Council must continue to ensure that the central role of the United Nations in Iraq can be fulfilled in adequate security conditions. It is in this light that we have taken note of the Iraqi Government's intention not to seek future renewals of the Multinational Force's mandate as well as its announcement that negotiations are under way on bilateral security agreements.

Mr. Weisleder (Costa Rica) (*spoke in Spanish*): I would like to thank you, Mr. President, for convening this meeting. I welcome Mr. Hoshyar Zebari, Minister for Foreign Affairs of Iraq, and thank him for his assessment of the situation in his country. I would also like to thank Mr. Warren Sach, Mr. Ibrahim Gambari and the Permanent Representative of the United States for their briefings on the International Advisory and Monitoring Board (IAMB) of the Development Fund for Iraq (DFI), the activities of the United Nations Assistance Mission for Iraq (UNAMI) and the work of the Multinational Force (MNF), respectively.

Like other members of the Council, Costa Rica commends the efforts undertaken by the Iraqi Government and by the international community to promote the rule of law and economic prosperity in that country. We encourage the Iraqi Government, whose Minister for Foreign Affairs is with us today, to strengthen its efforts to improve the living conditions of its people as one of the priorities for normalization of relations in that country as it looks towards a democratic future. We support all efforts towards the consolidation of the Iraqi State, a sovereign State that is responsible and inclusive is a contribution to peace, development and stability for the country as well as the region.

My delegation continues to be extremely concerned by outstanding issues, such as the protection of human rights and the alleviation of the serious humanitarian crisis facing Iraq. In that regard, we feel that realistic and self-sustainable strategies to strengthen economic and social cohesion internally and to deal fairly with all ethnic and religious groups in the political and economic landscape of Iraq will facilitate the national reconciliation process that we all desire.

My country would like to stress once again the importance of publishing written reports in all official languages of the United Nations, under the corresponding signature, before their presentation by the Secretary-General or his representatives to the Council. That would strengthen the transparency and effective treatment of the issues that we are dealing with.

Given the high relevance of the subjects that we are discussing today, we would like to stress that all States Members of this Organization recognize the work of the International Advisory and Monitoring Board and the Development Fund for Iraq, and also the corrective measures that it draws up and applies when there are any irregularities in the administration of that Fund. We hope that that will also lead to the timely issuance of the reports of the Secretary-General, such as the briefing by Mr. Sach heard today, bearing in mind that the United Nations has taken upon itself a great responsibility and is playing a strategic role today in alleviating the humanitarian situation in Iraq. It would also be useful to have a copy of Mr. Sach's speech. We share many of the concerns that have been expressed by South Africa.

With regard to the fight against terrorism, Costa Rica has categorically condemned the use of force and violence to achieve political aims in all its forms and manifestations, irrespective of who commits those acts, where they are committed and how they are committed. Once again, we condemn those acts and welcome initiatives designed to eradicate such practices.

We greatly regret the reports of civilian deaths due to the operations of the Multinational Force in

Iraq, according to the 15 March report on human rights by UNAMI. It is unacceptable for civilians to be used as human shields, just as it is unacceptable not to take all possible measures to deal with terrorist groups.

We are sure that all of us present here in the Chamber agree with and support the principle that the protection of civilians is a central objective and one of the main reasons why the United Nations is present on the ground, in this particular case in Iraq.

Finally, we welcome the fact that Iraq has signed the Convention against Torture. We again urge it to ratify the Optional Protocol also and to ensure full compliance with those two very important international instruments as part of the efforts of that country to restore peaceful and stable democracy.

Mr. Le Luong Minh (Viet Nam): As the Council today is debating the situation concerning Iraq, on behalf of the Vietnamese delegation let me first of all extend our sincere thanks to His Excellency Mr. Hoshyar Zebari, Minister for Foreign Affairs of Iraq, for his presence and his statement. I would like to thank Special Adviser Ibrahim Gambari and Assistant Secretary-General Warren Sach for their detailed briefings. I would like to thank you, Mr. President, for your presentation, in your national capacity, on behalf of the Multinational Force in Iraq.

During the past five years, Iraq has undergone significant changes. The progress that the country has achieved under extremely difficult conditions across various political and socioeconomic fields, its improved relations with neighbouring countries and its reintegration into the international community deserve our full recognition and encouragement. At the same time, we wish to see Iraq achieve further concrete improvements in, inter alia, ending the outbreak of sectarian violence; resolving internal boundary disputes; reinforcing the rule of law; strengthening poverty reduction and social welfare development; curbing illicit use of weapons and combating organized crimes; promoting disarmament, demobilization and reintegration of ex-combatants; clearing a substantial amount of foreign debts; and providing assistance to more than 4 million refugees and internally displaced persons. We therefore all realize that there are still formidable challenges in security, humanitarian, reconstruction and national reconciliation spheres for the country to overcome.

A united, prosperous and stable Iraq, which has been the fervent desire of the Iraqi people, who have endured tremendous losses and difficulties for too many years, will contribute to the peace, security and stability of the region. While firmly supporting the efforts of the Iraqi Government and the other parties concerned in consolidating peace and security, promoting sustainable development and strengthening national reconciliation, Viet Nam recognizes and supports the important role that the United Nations, the countries of the region and the international community at large can play, on the basis of respect for the sovereignty, political independence, territorial integrity and non-interference in the internal affairs of Iraq, to help Iraq strengthen its political process and regional dialogue and to promote economic reconstruction and humanitarian relief work.

We commend the efforts of the United Nations Assistance Mission for Iraq and encourage it to further assist the Government of Iraq to address key priority issues, as mandated by Security Council resolution 1770 (2007). We also hope that the International Advisory and Monitoring Board will continue to enhance its audit and oversight capacity to ensure that all resources from the Development Fund for Iraq are transparently and efficiently disbursed in the service of the best interests of Iraq and its people.

With its modest capacity, Viet Nam stands ready to join the collective effort of the international community in helping the Iraqi people to rebuild their country. Viet Nam participated in the two conferences on the International Compact with Iraq in Sharm el-Sheikh and Stockholm in 2007 and 2008, respectively. We look forward to continuing to support the work of the compact in moving the country forward.

Finally, Mr. President, let me thank you and the United States delegation for the draft press statement, which we support.

Mr. Natalegawa (Indonesia): At the outset, I would like to join other delegations in welcoming His Excellency Mr. Hoshyar Zebari, Foreign Minister of Iraq, to the Council and in thanking him for his briefing on the current developments in his country.

My delegation also thanks Mr. Ibrahim Gambari, Special Adviser on the International Compact with Iraq and Other Political Issues, for his briefing on the activities of the United Nations Assistance Mission for

Iraq (UNAMI) and Mr. Warren Sach, the United Nations Controller, for his presentation on the status of the Development Fund for Iraq (DFI) and the International Advisory and Monitoring Board (IAMB).

We also wish to thank the Permanent Representative of the United States for his statement on behalf of the Multinational Force in Iraq (MNF-I).

Like any other nation, Iraq is deserving of peace and stability. The decline in the overall level of violence across Iraq in the past few months is therefore a source of great satisfaction and a development which we welcome. The efforts by the Government of Iraq to address security challenges have yielded tangible results. Despite this encouraging development, violence in Iraq continues and it remains a challenge for Iraq to achieve genuine sustainable peace.

In our view, the increasing capacity of the Iraqi security forces in ensuring peace and stability is critical to the withdrawal of foreign forces. In this regard, we welcome the continued efforts by the Government of Iraq in making the Iraqi security forces better trained, better equipped and greater in number.

We also recognize that 2008 is a critical year in the partnership between Iraq and MNF-I as the latter's mandate was extended by resolution 1790 (2007) on 18 December 2007 on the basis of a final request from the Government of Iraq.

We therefore believe that training and capacity-building should be given a greater emphasis in the support and assistance of MNF-I for Iraq. This will hopefully help Iraq to be more self-reliant in meeting its security needs.

Atrocities in Iraq cannot be fully responded to by a security approach. An approach that promotes inclusiveness and respect for human rights and fundamental freedoms must also be sought. In this regard, Indonesia supports the efforts by the Iraqi Government to engage leaders from across the political and religious spectrums to promote confidence-building through national dialogue and reconciliation.

Violence in Iraq has caused serious human displacement. More than 2 million Iraqis have fled to neighbouring States, particularly Syria and Jordan; and 58 per cent of the internally displaced persons (IDPs) are under age 12, creating special issues involving the protection of children.

The humanitarian crisis and the displacement that have been caused can lead to further instability in Iraq and has created a new challenge in the host countries. The development of a national strategy to address the Iraqi IDPs and refugees by the Government of Iraq is an important step. Sufficient resources must be secured in order to transform the strategy into reality.

The role of the United Nations High Commissioner for Refugees and other humanitarian agencies remains critical in assisting the Government of Iraq and the host countries in dealing with the Iraqi refugees. The 2008 consolidated appeal, which was launched in Baghdad on 12 February 2008, is a commendable initiative for pooling the financing for the humanitarian activities.

The IAMB remains an important body in the oversight of the use of resources of the DFI. Iraq is one of the richest countries in terms of its natural resources. The work of the IAMB must help Iraq to ensure that the Iraqi people benefit from the Fund.

With regard to UNAMI, we continue to underline its importance in providing Iraq with various types of assistance. Its electoral assistance will be particularly important as Iraq is now preparing for parliamentary and provincial elections. Collaboration between UNAMI and the Independent High Electoral Commission of Iraq is also an important step in ensuring the credible conduct of the elections.

As a final point, in reaffirming our full support for the Iraqis in their pursuit of a peaceful, stable, prosperous and democratic Iraq, my delegation wishes to highlight three elements that we consider key in contributing to the early solution of conflict in Iraq. First, an all-inclusive reconciliation among the Iraqis involving the current Government; secondly, the participation of the international community in the reconstruction and rehabilitation efforts in the country and finally, with the consent of Iraq, the deployment of enhanced, mandated United Nations capacities and presence in the country, as foreign troops draw down.

Mr. Lacroix (France) (*spoke in French*): First of all, I would like to welcome the presence at this Security Council debate the Minister for Foreign Affairs of Iraq, Mr. Hoshyar Zebari.

I would also like to thank the Assistant Secretary-General Gambari, the United Nations Controller,

Mr. Warren Sach, and you, Mr. President, for your respective statements.

The French Foreign Minister had the opportunity to note, in the course of his visit to several parts of Iraq between 31 May and 1 June, the noteworthy progress that has been made in recent months. France is pleased with this progress and hopes that the Iraqi authorities continue their efforts to confront the important remaining challenges.

Regarding security, the level of violence has decreased, and my delegation welcomes the advances made in the transfer of responsibilities to the Iraqi forces. As Mr. Zebari noted in his letter to the Security Council, this transfer not yet complete, however, and the Multinational Force (MNF) must therefore be maintained.

We also welcome the efforts made by the Iraqi Government in disarming militias, which is an important objective towards allowing the full and complete restoration of State competence in matters of security and maintaining order.

In terms of the political situation, the process of national reconciliation remains essential for the consolidation of the Iraqi State. This process must be inclusive and succeed in isolating those forces which seek Iraq's downfall. This requires the cooperation of all Iraqi political decision-makers, who must, as a first step, agree on an equitable distribution of authority and resources on the basis of consensus. In this respect, it is important that the process of constitutional revision succeed.

The strengthening of the rule of law and the promotion of human rights are also important commitments made by the Iraqi Government at the follow-up meeting on the International Compact with Iraq in Stockholm on 29 May, and we encourage further efforts in this direction.

As the most recent report of the United Nations Assistance Mission for Iraq (UNAMI) demonstrated, the human rights situation, and especially the rights of prisoners held in Iraq, remains a source of preoccupation for the international community. All parties involved must pursue their efforts in order to improve the situation.

With respect to the economic situation, we welcome the consolidation of the budgetary resources in Iraq, which should allow the Iraqi Government to pursue the reconstruction of the country and improve the Iraqi people's access to basic services. It is important to enhance financial transparency and economic governance in order to attract foreign investors in greater numbers and to new projects.

The initial progress made by Iraq should enable it to quickly find a solution to a humanitarian situation which remains worrying. According to the High Commissioner for Refugees, there are over 2,770,000 internally displaced persons inside the country and 2 million refugees.

In order to respond to the many challenges that Iraq faces today, the support of the international community is crucial. The involvement of neighbouring countries in the process, relaunched at Sharm el-Sheikh in May 2007, has progressed considerably and was welcomed by Bernard Kouchner at the enlarged ministerial conference in Kuwait on 22 April.

It is important that the three working groups established by the neighbouring States on questions of border security, refugees, and energy and resources arrive at concrete results. More than ever, cooperation between neighbouring States and the Iraqi Government is a prerequisite for the stability of Iraq and of the whole region.

My delegation commends the activity of UNAMI since the renewal of its mandate and pays tribute to the action of the Special Representative of the Secretary-General, Mr. Staffan de Mistura, who has the difficult and important task of leading the deployment of UNAMI, with its new responsibilities, throughout the territory of Iraq. As stipulated in resolution 1770 (2007), UNAMI must be able to carry out its work in satisfactory security conditions. In the context of the end-of-the-year deadline for the mandate of the MNF provided for in resolution 1770 (2007), we should begin to think about protection for the Mission in the longer term. That same time frame also means that the Security Council must give some thought to the evolution of the system based on the Development Fund for Iraq and the International Advisory and Monitoring Board. This should be carried out in consultation with Government of Iraq.

France is committed to the unity, sovereignty and integrity of a democratic Iraq, and it reaffirms its readiness to assist the Iraqis. Beginning on 1 July, France will hold the presidency of the European Union,

and we assure all Iraqis that we are ready to assist them in building their common future and bringing about national reconciliation, with a view to restoring the peace and security they are entitled to, in a democratic State rich in its diversity. That is the message that French Foreign Minister Bernard Kouchner conveyed during his recent visit to Iraq.

Mr. Churkin (Russian Federation) (*spoke in Russian*): We are pleased to welcome to the Security Council Mr. Hoshyar Zebari, Minister for Foreign Affairs of Iraq. We listened attentively to his statement on Iraq's efforts to bring about national reconciliation and economic development in his country. We are also grateful for the briefings given to the Council this morning.

In December 2007 we supported the Security Council's decision on a further extension of the mandate of the Multinational Force until 31 December 2008, because it is necessary to keep the presence of foreign troops in Iraq within the purview of the Security Council. We agree that, to a degree, the Multinational Force is playing a stabilizing role by preventing a full-fledged civil war. But this situation cannot continue indefinitely. Genuine sovereignty for Iraq can be established only when full responsibility for security has been transferred to the Iraqi leadership and when foreign troops have been withdrawn from the country.

In that context, it is important that the planned United States-Iraq status of forces agreement not enshrine the indefinite presence of foreign troops in Iraq, lest we run the risk of seeing an ever-deepening rift in Iraqi society, which would exacerbate the domestic political situation and would have increased negative repercussions for the security situation. A timetable for the withdrawal of the Multinational Force from Iraq would not only reduce tension in that country but would also provide important impetus for efforts towards national reconciliation and agreement.

The Security Council has repeatedly expressed its firm support for the sovereignty, political independence and territorial integrity of Iraq. The Russian Federation firmly supports those principles and is confident that the Iraqis are in a position to decide independently on their own future and to resolve the issues on their national agenda. That is why it is important that the presence of foreign troops in Iraq not undermine the country's sovereignty in any way and that it be consistent with the Security Council's position on these matters.

Another problem is that of Iraqi detainees — in particular, children — held in military prisons of the Multinational Force. It is essential that the norms of international humanitarian law be observed in that context.

We note that there continue to be many shortcomings with respect to the activities of the Development Fund for Iraq. But no decisive measures have been taken to correct them. In particular, there has been no decrease in the quantity of smuggled oil, and the Fund's accounting practices and its methodologies and forms for concluding contracts with foreigners — especially United States subcontractors — give rise to grave misgivings. That is all because of a chronic lack of transparency in the Fund's work.

The President: There are no further speakers inscribed on my list. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 1.05 p.m.